

**REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF TUCSON, ARIZONA**

**Thursday, February 12, 2015
3:00 p.m.**

At the Ward VI Council Offices – Community Room
3202 East First Street
Tucson, Arizona 85716

AGENDA

Open Meeting: Members of the Board of Directors of The Industrial Development Authority of the City of Tucson, Arizona (the “**Authority**”) may attend either in person or by telephone conference call. Pursuant to **Arizona Revised Statutes Section 38-431.02**, notice is hereby given to the general public and to the members of the Authority’s Board of Directors that the Authority will hold a meeting open to the public to discuss, consider and take legal action on the following agenda items:

1. **Call to Order**.....M. Robinson
2. **Request for resolution** to approve the minutes of the Special Meeting of **January 15, 2014**
.....M. Robinson
3. **Request for resolution** to approve the payment of invoices and the notification of items to be paid on the Authority’s behalf by third parties.....K. Valdez
4. **Status report** from the Liaison to City of Tucson, Arizona City Manager’s Office related to:
 - a. The City’s Economic Development Prospect list.
 - b. The City’s use of the Tucson Community Development Loan Fund aka the **HUD Section 108** Loan Program.
 - c. The City’s use of HOME Funds.
 - d. The City’s use of its **21** Economic Development tools.
 - e. Current items of interest.....C. Martins - Bekat
5. **Status report** related to **450** N. Main Avenue related to a Sale & Development Agreement with the City of Tucson, Arizona and **request for resolution** for any actions related thereto.....G. Molenda
6. **\$15,000,000** The Industrial Development Authority of The County of Pima and The Industrial Development Authority of The City of Tucson, Arizona Revolving Taxable Single Family Mortgage Loan Program of **2012** (Pima/Tucson Homebuyers Solution) – **Status report** related to new loan product and the ability to use FHLB and FNMA mortgage-backed securities and **request for resolution** authorizing (a) an increase in the Program Size Limit to **\$40,000,000** (b) an Amended & Restated Master Mortgage-Backed Security Agreement, (c) Amended & Restated Lender Agreement, (d) Amended & Restated Standards & Requirements, (e) Amended & Restated Intergovernmental Agreement, and (f) a revised form of Homebuyer Certification and Affidavit.....C. Lotzar

7. **Status report** related to potential settlement with Bank of America, N.A. and /or Countrywide Home Loans, Inc. related to prior Single Family Mortgage Revenue Bond programs issued in **2006** and **2007** and **request for resolution** related thereto. *Pursuant to Arizona Revised Statutes Section 38-431.03(A)(1)(3) and/or (4), the Board may vote to recess and meet in executive session for the purpose of discussion or consultation with and to provide direction to the Board's legal counsel in connection with this item. Any action taken by the Board regarding this matter will be taken in open meeting session (either at this meeting or at a later date) after the adjournment of the executive session*.....C. Lotzar
8. **Status report** related to proposed interpretations and/or amendments to Arizona's Industrial Development Financing Act, Allocation of Private Activity Bonding Act, or other state legislation affecting the Authority's affairs and **request for resolution** related thereto.....C. Lotzar
9. **Request for resolution** authorizing either renewal of the Authority's Public Officials' & Officers' liability insurance or the acquisition of similar coverage from another carrier.....C. Lotzar
10. **Status report** related to the participation loan to the Arizona Theater Company and **request for resolution** related a covenant waiver.....G. Molenda
11. **Status report** by the Authority's Advisor concerning the Authority's financial performance through the Authority's second fiscal quarter ending **December 31, 2014**..... G. Molenda
12. **Status report** related to the expiration of terms of various members of the Authority's Board of Directors and **request for resolution** to forward recommendations to the City Manager for appointment by the Mayor & Council.....M. Robinson
13. **Status report** related to sponsorship request received from Tucson Metro Chamber for the State of the City to be held **March 6, 2015** at JW Marriott Starr Pass, Tucson, Arizona and **request for resolution** for any action related thereto.....M. Robinson
14. **Staff Reports:**

Monthly Staff Report for the month ending **January 31, 2015**

a. General Operations of the Authority:

- i. Parking Lot Financial Statements prepared by Pueblo Parking Systems, LLC ("**PPS**")
- ii. Bond Borrower's payment of Administrative Fees
- iii. Cash Management
- iv. Loan Servicing
- v. Loan Origination
- vi. **450 N. Main Street**

b. Legislation updates:

- i. Federal legislation.
- ii. Arizona legislation.

c. Outstanding Single Family Programs:

i. Mortgage Revenue Programs that have completed the Origination Period:

- A. Series **2006** (Joint) - **\$30,475,000** – **1st** Mortgage Loan Interest Rate **5.97%** - Final Redemption of Senior Bonds **July 28, 2014** – CUSIP No. **89873QAB5** Subordinate (approximately **\$149,000**- **7%** **2nd** Mortgage Loans are current and tied to the Subordinate Bonds of approximately **\$820,000**).
- B. Series **2007A** (Joint) - **\$23,400,000** - **1st** Mortgage Loan Interest Rate **5.69%** - Final Redemption of Senior Bonds **July 28, 2014**– CUSIP No. **89873QAE9** Subordinate (approximately **\$168,000** - **7%** **2nd** Mortgage Loans are current and tied to Subordinate Bonds of approximately **\$135,000**).
- C. Series **2008** (Joint) - **\$30,000,000**- Mortgage Loan Interest Rate **5.89%** -- Term Bonds CUSIP Nos. **898700FH7, 898700FJ3, 898700FK0** and PAC Bonds CUSIP No. **898700FL8** (approximately **\$7,565,000** outstanding).
- D. Restructuring Opportunities and past results.

ii. Mortgage Credit Certificate Program that is in the Origination Period – **2014** in the amount of **\$5,000,000** formed on **January 2, 2014** – Origination Period expires **December 31, 2016**.

iii. **\$15,000,000** The Industrial Development Authority of The County of Pima and The Industrial Development Authority of The City of Tucson, Arizona Revolving Taxable Single Family Mortgage Loan Program of **2012** (Pima/Tucson Homebuyers Solution) – Program commenced on **December 17, 2012** and unless extended expires on **December 31, 2016** – over **\$111,330,000** in mortgage-backed securities sold with over **\$4,441,000** of down payment assistance granted to homebuyers.

15. **Status Report** related to the Infill Incentive District (“**IID**”) process related to the potential development of Block **174** and/or Block **175** and **request for resolution** for any actions related thereto. *Pursuant to Arizona Revised Statutes Section 38-431.03(A)(1)(3) and/or (4), the Board may vote to recess and meet in executive session for the purpose of discussion or consultation with and to provide direction to the Board’s legal counsel in connection with this item. Any action taken by the Board regarding this matter will be taken in open meeting session (either at this meeting or at a later date) after the adjournment of the executive session.....*G. Molenda

16. **Status Report** related to development of the Request for Qualifications/Request for Proposal (“**RFQ/RFP**”) or other process related to the potential development of Block **174** and/or Block **175** and **request for resolution** for any actions related thereto. *Pursuant to Arizona Revised Statutes Section 38-431.03(A)(1)(3) and/or (4), the Board may vote to recess and meet in executive session for the purpose of discussion or consultation with and to provide direction to the Board’s legal counsel in connection with this item. Any action taken by the Board regarding this matter will be taken in open meeting session (either at this meeting or at a later date) after the adjournment of the executive session.....*G. Molenda

17. **President’s Report:** Brief Summary of current events, including items brought to the President’s attention or matters that required handling by the President since the last meeting.....M. Robinson
- Opinion article for the Arizona Daily Star.
 - Status of match contributions related to Christopher Franklin Carroll Centennial Park.
18. **Call to the audience**.....M. Robinson
19. **Adjourn**

Dated: **February 6, 2015**

Announcements: Announcement of future meeting dates and other information concerning the Authority. * denotes new Agenda item.

Call to the Public: Please limit comments to **3 minutes**. Public comments will be at the discretion of the President. Persons wishing to address the Authority’s Board of Directors are to request permission in advance and complete a “**Request to Address the Board**” card.

Further Information: For further information, please contact Gary Molenda, 335 N. Wilmot Road, Suite 420, Tucson, Arizona 85711, or telephone: (520) 882-5591, ext. 122.

Mailing: This Notice and Agenda of the Special Board Meeting was faxed to the Authority’s standard agenda mailing list.

Posting: A copy of this Notice and Agenda of the Special Board Meeting has been posted on the bulletin board of the Clerk of the City of Tucson, 1st Floor, 255 West Alameda, Tucson, Arizona 85701.